

RETURN DATE: OCTOBER 4, 2022	:	SUPERIOR COURT
	:	
SEASIDE IN WATERFORD, LLC	:	JUDICIAL DISTRICT OF
	:	WATERBURY
VS	:	
	:	AT WATERBURY
	:	
STATE OF CONNECTICUT	:	SEPTEMBER 7, 2022

### COMPLAINT

1. The Plaintiff, Seaside in Waterford, LLC ("Seaside"), is a limited liability company organized under the laws of the State of Connecticut with a business address c/o Restructured Opportunity Investors, Inc., 11 Scovill Street, 4<sup>th</sup> Floor, Waterbury, CT 06706.
  
2. In December 2009, the Defendant, State of Connecticut, (the "State") acting through the Connecticut Department of Public Works (now known as the Department of Administrative Services ("DAS")) issued a Request for Proposal ("RFP") for the sale and development of approximately thirty-two (32) acres of waterfront land located in Waterford, Connecticut (the "Property"). The RFP recognized that any redevelopment of the Property would be subject to the zoning regulations of the Town of Waterford for the Seaside Preservation District.
  
3. In response to the RFP, Seaside submitted to DAS a proposal, which, among other things, provided details as to how it would redevelop the Property, including ensuring continued public access to the coastal resources and protecting the coastal resources.
  
4. The State selected Seaside's proposal.

5. On October 22, 2010, Seaside and the State entered into a written Contract (the “Contract”), which references the RFP, and wherein the State, acting by and through the then-Commissioner of Public Works (n/k/a DAS), agreed to sell the Property to Seaside for the sum of Eight Million (\$8,000,000) Dollars, including a Two Hundred Fifty Thousand (\$250,000) Dollar deposit that was paid to the State. A copy of the Contract is attached hereto as Exhibit A.

6. The Contract recognized that any redevelopment of the Property would be subject to the zoning regulations of the Town of Waterford for the Seaside Preservation District in which the Property is located.

7. Under Paragraph 4 of the Contract, the closing was to take place sixty (60) days following Seaside’s receipt of its approvals pursuant to Section 11 [sic], without appeal therefrom, or, if an appeal was taken, upon final resolution of such appeal.

8. Under Paragraph 10 of the Contract, as a condition precedent to the closing, Seaside had the right to seek and obtain “any and all land use approvals and permits” it deemed reasonably necessary to develop the Property in accordance with the zoning requirements applicable to the Property. Moreover, Seaside agreed to “diligently pursue and obtain all such permits and approvals.”

9. In accordance with Paragraph 10 of the Contract, on May 11, 2011, Plaintiff made an application to the Waterford Planning and Zoning Commission (“Commission”) to amend Section 17a of the Zonings Regulation of the Town of Waterford that govern the Seaside Preservation District.

10. On August 11, 2011, the Commission approved the application in part.
11. On August 20, 2011, the Commission passed a motion to set the effective date of said revision to Section 17a as August 26, 2011.
12. Notice of the Commission's ruling was published on August 25, 2011.
13. On or about September 11, 2011, Kathleen Jacques and Allan Jacques appealed the Commission's decision to the Superior Court, CV-11-6010705-S.
14. On March 22, 2013, the Superior Court issued its decision denying said appeal.
15. On May 22, 2013, the Jacques filed their petition for certification to appeal said denial to the Appellate Court and on or about October 17, 2013, the Appellate Court denied said petition for certification to appeal.
16. Subsequent to said denial, Seaside had discussions with the State as to the need to further amend the zoning regulations and on May 16, 2014, Seaside filed an application with the Commission seeking to amend the town's zoning regulations, *inter alia* so as to include an inn and restaurant as permitted uses as part of the development of the Property (the "Zoning Application").
17. On April 17, 2014, Donald J. DeFronzo, then-Commissioner of DAS, wrote the following in a Letter to the Editor of the New London Day in response to claims that Seaside had not yet closed on the Property:

The Deal [referring to the RFP and Contract] was some fifteen years in the making and involved extensive collaboration between the Town of Waterford and the State . . . A private lawsuit was filed in 2011 challenging the Developer's plan. That challenge was litigated for two years and resolved in favor of the developer, Seaside, late last year. It would not be fair to hold that delay against the developer.

Since then, the State has regularly met with the developer to assure that he is making diligent efforts to get the required approvals.

18. On May 15, 2014, Jeffrey Beckham, staff counsel to DAS, e-mailed Commissioner DeFronzo that the purchase and sale agreement was in full force and buyer is in compliance. He wrote that the buyer had submitted amendment applications to the town for zoning changes; that the amendments are expected to be voted on by the town in June and assuming the amendments are approved, the buyer makes the formal application to the town for the various local approvals and then the process is a local one.

19. On June 18, 2014, Mr. Beckham wrote in another e-mail that “the approvals required are those necessary for the development of the property in accordance with the municipal zoning requirements. They are approvals of the relevant municipal governing bodies. The developer is working on that with the Town”.

20. Prior to the writing of the aforementioned Letter to the Editor of the New London Day by then-Commissioner DeFronzo and the Beckham e-mails, Seaside had discussed the reasons for and the advisability of the inclusion of an inn and restaurant with representatives of the Town, DAS, and other State agencies. Said representatives expressed their support of this inclusion and were aware that it would require approval of the Commission.

21. At no time did anyone from DAS and/or the State object to Seaside filing or pursuing the Zoning Application with the Commission.

22. On September 15, 2014, Seaside’s Zoning Application was denied.

23. On September 26, 2014, Seaside, in its continued diligent effort to seek and obtain all permits and approvals, and as permitted by the Contract, appealed that denial to the Connecticut Superior Court in New London.

24. Four days after Seaside served its appeal, on September 30, 2014, Governor Dannel P. Malloy issued a press release wherein he announced that DAS had “notified the developer that the state is terminating that Contract” and that he intended to turn the Property into a state park. A copy of Governor Malloy’s September 30, 2014 Press Release is attached hereto as Exhibit B.

25. By letter dated September 30, 2014, DAS, by and through then-Commissioner DeFronzo, advised Seaside in writing that Seaside was in default under the Agreement based on its alleged failure “to receive and/or diligently pursue necessary Land Use Approvals (as such term is defined in the Agreement) in accordance with Section 10(d)” of the Contract, and giving Seaside fifteen (15) days to cure said default. A copy of said Default Letter is attached hereto as Exhibit C.

26. On September 30, 2014—the same day Seaside received the Default Letter from DAS and the same day Governor Malloy announced his intentions for the Property—Seaside, by and through its counsel, Attorney Lewis Wise, denied that it was in default under the Contract, and provided DAS with a summary of its diligent efforts to date. A copy of Seaside’s September 30, 2014 Response Letter is attached hereto as Exhibit D.

27. On October 17, 2014, DAS terminated the Contract under Paragraph 17(a) of the Contract “due to Seaside’s failure to cure the default or make reasonable provisions to cure the

default.” In addition, DAS and/or the State retained Seaside’s \$250,000 deposit as liquidated damages. A copy of the Termination Letter is attached hereto as Exhibit E.

28. On October 24, 2014, Seaside, by and through its counsel, Attorney Wise, again advised DAS in writing that it denied any default under the Contract. A copy of said Letter is attached hereto as Exhibit F.

29. DAS did not reinstate the Contract.

30. DAS has not released the \$250,000 deposit.

31. In accordance with Paragraph 10 of the Contract, Seaside had expended hundreds of thousands of dollars diligently pursuing and obtaining all permits and approvals it deemed reasonably necessary to develop the Property, including but not limited to participating in numerous meetings with Town staff, attending numerous public hearings before the Town of Waterford Planning and Zoning Commission, retaining experts, including traffic experts, lawyers, architects, and engineers, filing applications with the Commission, filing and defending appeals of Commission decisions, all in accordance with State law, as well as meeting with DAS to keep it apprised of its plans and its efforts to obtain the reasonably necessary permits and approvals to effectuate its development plans.

32. DAS’s termination of the Contract was wrongful and unjustified, and, as a result, DAS has breached its obligations under the Contract.

33. As a result of the foregoing, Seaside has suffered damages.

34. On or about August 14, 2015, Plaintiff filed its Notice of Claim against the State pursuant to C.G.S. §4-147. On July 22, 2022, Plaintiff was authorized to bring suit against the State.

PLAINTIFF,  
SEASIDE IN WATERFORD, LLC

By: 

Andrew W. Krevolin, Esq.  
Rogin Nassau LLC [050793]  
185 Asylum Street, 22<sup>nd</sup> floor  
Hartford, CT 06103-3460  
Phone 860-278-7480/Fax 860-278-2179  
[akrevolin@roginlaw.com](mailto:akrevolin@roginlaw.com)

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SEASIDE IN WATERFORD, LLC

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SUPERIOR COURT

JUDICIAL DISTRICT OF  
WATERBURY

AT WATERBURY

SEPTEMBER 7, 2022

**STATEMENT OF AMOUNT IN DEMAND**

The amount in demand is more than Fifteen Thousand (\$15,000) Dollars, exclusive of interest and costs.

PLAINTIFF,  
SEASIDE IN WATERFORD, LLC

By: 

Andrew W. Krevolin, Esq.  
Rogin Nassau LLC [050793]  
185 Asylum Street, 22<sup>nd</sup> floor  
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Phone 860-278-7480/Fax 860-278-2179  
[akrevolin@roginlaw.com](mailto:akrevolin@roginlaw.com)



## **EXHIBIT A**

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is made the 22<sup>nd</sup> day of October, 2010, by and between THE STATE OF CONNECTICUT, acting through the Commissioner of Public Works, under the authority conferred upon her under Section 4b-21 of the Connecticut General Statutes, with an address and place of business at 165 Capitol Avenue, Hartford, Connecticut 06106 ("Seller" or "State"), and SEASIDE IN WATERFORD, LLC, a Connecticut limited liability company with an address and place of business c/o HealthCare Consulting Corp., 74 Batterson Park Road, Farmington, Connecticut 06032 ("Purchaser").

### WITNESSETH:

WHEREAS, the State issued a Request for Proposals ("RFP") in December 2009, for the sale of a certain piece or parcel of land, with all buildings and other improvements thereon, containing approximately thirty two (32) acres of waterfront land, in "as is" condition, located on Shore Road in the Town of Waterford, State of Connecticut, and commonly known as the Seaside Regional Center (the "Property"); and

WHEREAS, Purchaser was one of multiple proposals received by the State in response to the RFP; and

WHEREAS, the State interviewed and negotiated with prospective purchasers with the objective of selecting the proposal offering the most and best terms in favor of the State; and

WHEREAS, Purchaser's final and best proposal presented the State with the highest monetary consideration, relieved the State of future responsibilities relating to the care and maintenance of the Property, protected the coastal resources on the Property and ensured the general public continuing, meaningful access to said coastal resources.

NOW THEREFORE, in consideration of the covenants and agreements contained herein, Seller and Purchaser agree as follows:

1. SALE OF PROPERTY. For fair and adequate consideration acknowledged received, Seller hereby agrees to sell and Purchaser hereby agrees to purchase, subject to the terms and conditions set forth in this Agreement, all of Seller's right, title and interest in and to the Property, as more particularly described in Exhibit A attached hereto and made a part hereof and shown as "PARCEL TO BE CONVEYED" on that certain map (the "Map") entitled "Perimeter Survey Property of the State of Connecticut Seaside Regional Center, Shore Road, Waterford, Connecticut" dated June 24, 2006, by CLA Engineers, Inc. of 317 Main Street, Norwich, said survey attached hereto as Exhibit A-1 and made a part hereof.

2. PURCHASE PRICE. The purchase price shall be Eight Million and 00/100 (\$8,000,000.00) Dollars (the "Purchase Price"), paid as follows:

(a) Within five (5) days of Purchaser receiving notice of the approval of this Agreement by the Office of the Attorney General (the date of such approval to be considered the effective date of this Agreement and referred to hereinafter as the "Effective Date"), Purchaser shall pay an initial deposit of Two Hundred and Fifty Thousand and 00/100 (\$250,000.00) Dollars, to be held in an interest bearing account by First American Title Insurance Company ("FATIC") pursuant to an escrow agreement ("Escrow Agreement") in the form attached hereto as Exhibit G and made a part hereof, interest accrued thereon to be credited to Purchaser (the payment under subsections (a) and (b) of this Section 2 and interest accrued thereon collectively the "Deposit");

(b) Within forty eight (48) hours of the satisfaction of all contingencies set forth in Section 12, Purchaser shall pay a second deposit of Two Hundred and Fifty Thousand and 00/100 (\$250,000.00) Dollars, to be held in an interest bearing account by FATIC per the Escrow Agreement.

(c) The balance of Seven Million Five Hundred Thousand and 00/100 (\$7,500,000.00) Dollars by wire transfer, bank check or certified funds at Closing (as defined in Section 4 below).

3. TITLE. The Purchaser shall bear all costs for title examinations, abstracts, surveys, title insurance and any and all other inspections of the title to the Property that the Purchaser may require.

(a) The Purchaser shall have a period of thirty (30) days from the date of Purchaser's receipt of a copy of this Agreement with all signatures and approvals thereon (the "Thirty Day Due Diligence Period") to examine the title to the Property, obtain a commitment from a title insurance company selected by Purchaser pursuant to which such company agrees to insure title to the Property, at normal premium rates, in an ALTA form, which commitment shall omit the standard exceptions for mechanics' and materialmans' liens, parties in possession and surveys, shall include a so-called Comprehensive Endorsement, and shall (i) affirmatively insure that there will be no violation of any applicable restrictions pertaining to the Property if used, operated, leased and/or sold as contemplated herein, (ii) insure that the Property has legal and actual access to an identified public roadway, (iii) provide that all such affirmative coverages will be available to future purchasers and their mortgagees at normal premium rates, and (iii) provide such other affirmative coverages as Purchaser may reasonably require.

(b) Purchaser hereby agrees, at its sole cost and expense, to obtain an updated A-2 survey plotting all easements, rights of ways, encroachments and other physical features of the Property together with a legal description of said parcel. The Purchaser shall have a period of forty-five (45) days from the date of Purchaser's receipt of a fully executed copy of this Agreement to obtain an A-2 Survey (the "Forty Five Day Due Diligence Period").

4. CLOSING. Subject to the other terms of this Agreement, the closing shall be held at the offices of the Department of Public Works, 165 Capitol Avenue, Hartford, Connecticut, or elsewhere as may be agreed upon by the parties, on the date which is sixty (60) days following Purchaser's receipt of its approvals pursuant to Section 11 below, without appeal therefrom, or if

an appeal is taken, upon final resolution of any such appeal (the "Closing"). The intent of the parties is to close before June 30, 2011. Purchaser acknowledges and agrees such intent was a material consideration in Seller selecting to sell the Property to Purchaser. Each party hereby agrees to diligently perform its obligations hereunder in order to close before September 30, 2011.

5. CLOSING DOCUMENTS. At Closing, Seller shall deliver to Purchaser the following:

- (a) A quit claim deed in substantially the same form as Exhibit B attached hereto and made a part hereof (the "Deed");
- (b) An affidavit of title with respect to the Property in substantially the same form as Exhibit C attached hereto and made a part hereof;
- (c) An affidavit made under penalty of perjury, to the effect that Seller is not a "foreign person" in the sense of the Internal Revenue Code, Section 1445;
- (d) A reaffirmation of the representations set forth in Section 21 below;
- (e) Documents to clear those items of title that Seller has elected to cure, if not earlier provided; and
- (f) Such other documents as are reasonably requested by counsel for Purchaser and as necessary to consummate the transaction contemplated by this Agreement; provided the same do not impose upon Seller any obligation or liability not specifically provided for herein.

6. DDS PARCEL. Seller shall retain ownership of a portion of the Property consisting of approximately 3.9 acres, more or less, which is currently under the care and control of the Department of Developmental Services ("DDS Parcel"), as more particularly shown as "PARCEL TO BE RETAINED BY THE STATE OF CONNECTICUT" on the Map. In the Deed to Purchaser, Seller shall reserve an easement for the benefit the DDS Parcel granting pedestrian access and travel rights to any internal walkways, sidewalks or vehicle driving paths for common usage to be constructed on the Property. The Deed shall also grant Purchaser an easement to install landscape features, including foliage, on the DDS Parcel along the driveway from Shore Road to the rest of the Property. Prior to the Closing, Purchaser shall provide DDS the opportunity to review and approve Purchaser's design for the landscape area, such approval not to be unreasonably withheld or unreasonably delayed..

7. EASEMENT TO THE TOWN. At Closing, Purchaser shall grant an easement to the Town in a form satisfactory to the Town granting rights of access and travel over the Property to access the pump station situated on the Property for purposes of operating, maintaining, repairing and replacing the pump station (the "Town Easement"). Seller shall be responsible for obtaining the approval of the Town of the Town Easement. In the event the Town has pre-existing easements over and on the Property for same purpose(s), Purchaser shall be responsible for obtaining any necessary approvals or consents of the Town to relocate or



extinguish such easement(s), if it so desires. The Town Easement shall provide that ordinary maintenance work on the pump station shall be performed during normal business hours and all maintenance and repairs whether ordinary or of an emergency nature, shall be performed with minimal disruption in deference to the proximity of the residences. The Town Easement may contain a termination provision whereby the Town Easement shall automatically terminate if a town road is created sufficient to provide reasonable access to the pump station in question.

8. PERSONAL PROPERTY. The Seller shall not be obligated to remove any personal property from the Property. Any personal property at the Property after the Closing may be removed by the Purchaser at Purchaser's cost.

9. ADJUSTMENTS. All taxes, water charges or other governmental charges and assessments applicable to the Property shall be adjusted at Closing. All charges and expenses for taxes, utilities such as water, sewer, electricity and gas that relate to a period prior to the Closing shall be paid by Seller. All such charges and expenses that relate to a period after the Closing shall be paid by Purchaser.

10. LAND USE APPROVALS. As a condition precedent to Closing, Purchaser shall have the right to seek and obtain any and all land use approvals and permits Purchaser reasonably deems necessary to develop the Property in accordance with the zoning requirements applicable to the Property (the "Land Use Approvals"). Purchaser shall diligently pursue and obtain all such permits and approvals (the period of time in which Purchaser shall apply or file for the necessary permits hereunder shall be referred to herein as the "Permitting Period").

(a) Purchaser acknowledges that it is solely responsible for determining which permits and approvals are reasonably necessary and applying for them. The Seller agrees to cooperate with the Purchaser in filing such applications and proceedings to the extent such applications or proceedings require the Seller to participate; provided, however, the Seller shall not incur or be responsible for any fees or out of pocket costs related thereto. Purchaser and Seller agree that to the extent Purchaser has applied for and diligently pursued, but has not yet received all of the required permits and approvals for the development of the Property, Purchaser may close on the Property, subject to the terms and conditions elsewhere in this Agreement.

(b) If the issuance of any permits or approvals for the Property have been appealed, the Purchaser shall have the right to automatically extend the Permitting Period, upon written notice to the Seller. However, in the event of an appeal, Seller hereby agrees to annual cost of living adjustments to the purchase price based on the Consumer Price Index ("CPI") published by the U.S. Department of Labor Bureau of Labor Statistics, specifically for all Urban Consumers (CPI-U), Northeast Region, All Items, 1982-84-100, commencing the date the appeal period begins (date the approval or disapproval of a permit is issued) to the Closing date. Any such increase(s) shall be pro-rated for any period less than a full calendar year. Notwithstanding, the purchase price shall not be adjusted downward.

(c) In the event Purchaser is not able to obtain any one of the necessary approvals or permits, Purchaser shall have the right to terminate with no penalty this Agreement by written notice to Seller within five (5) days of Purchaser receiving notice of a denial of any necessary approval or permit. Upon such a termination, Seller shall return to Purchaser the Deposit

together with any accrued interest and all rights and obligations of the parties hereunder shall be deemed terminated, except where expressly stated otherwise in this Agreement. Purchaser may waive any condition under this paragraph and close on the Property.

(d) Failure of Purchaser to diligently pursue the applicable Land Use Approvals and/or prosecute an appeal shall be deemed a default under this Agreement subject to the provisions of section 18 below.

11. SELLER'S CONTINGENCIES. The Seller's obligation to convey the Property to Purchaser is contingent upon Seller obtaining, free from appeal after the expiration of any statutory appeal period, all approvals, rulings, waivers or releases from the Office of Policy and Management, State Properties Review Board, the Legislative Committees of Cognizance and the Office of the Attorney General (collectively the "Seller Approvals"). If the Property was purchased or improved with proceeds of tax-exempt obligations issued or to be issued by the State, the approval of the Office of the State Treasurer shall also be required as Seller Approval. The Treasurer may disapprove this transaction only if the transaction would affect the tax-exempt status of such obligations and could not be modified to maintain such tax-exempt status. The Seller shall use its best reasonable efforts to obtain the Seller Approvals. The Seller shall provide to the Purchaser copies of pertinent documents filed or received by the Seller in the course of pursuing Seller's Approvals and copies of Seller's Approvals as they are received. Upon Seller's receipt of all Seller's Approvals, Seller shall provide written notice to the Purchaser that this contingency has been satisfied, together with copies of all such approvals.

If any one required Seller Approval is denied, or if one or more Seller Approval is obtained with conditions that are materially adverse to the Purchaser, either party may terminate this Agreement upon ten (10) days written notice to the other. Upon such termination, the Seller shall return the Deposit within ten (10) days from receipt of such written notice of termination and all rights and obligations of the parties to each other under this Agreement shall be terminated. Termination pursuant to this subsection shall not be deemed a default. Notwithstanding, if a Seller Approval is denied for reasons or conditions Seller or Purchaser is able to address or resolve, Seller or Purchaser, at Purchaser's sole option, may so address or resolve the underlying reason or conditions that caused the denial.

12. CONDITION OF PROPERTY.

(a) Purchaser shall accept the Property and such improvements in "AS IS" condition without any warranty or reliance upon oral or written representations from the Seller concerning the conditions of the Property or its improvements, including but not limited to, dimensions, soil conditions, groundwater or other environmental conditions, municipal restrictions on use, encumbrances or uses by third parties, and further agrees to accept the Property at Closing.

(b) Notwithstanding subsection (a) above, Purchaser and the Purchaser's designees shall have reasonable access to the Property from time to time as and when the Purchaser shall deem necessary for the purpose of making, at the sole cost and expense of the Purchaser, such measurements, surveys, examinations, inspections, tests and analyses of the Property, including without limitation, soil borings, groundwater and other environmental testing ("Inspections") that

the Purchaser deems necessary or desirable. Prior to entering the Property, the Purchaser shall (i) deliver or cause to be delivered to Seller from the contractor entering the Property a certificate of insurance, in form and substance reasonably acceptable to the Seller and issued by insurers of recognized responsibility licensed to do business in the State of Connecticut and reasonably satisfactory to the Seller, with respect to the Property, with limits not less than \$1,000,000 single event limit on which Seller is named as an additional insured; and (ii) notify the Seller's manager on the Property, to be identified by Seller in writing to Purchaser upon final approval of this Agreement, in advance of its intended activities. No such activities may be conducted until the Seller has granted its approval, which approval will not be unreasonably withheld or delayed, giving due consideration to the safety concerns of the Seller and which approval need not be in writing. Upon the completion of such activities, the Purchaser shall promptly restore the Property to a condition reasonably substantially similar to its condition prior to the start of such activities; provided, however, that the Purchaser's obligation to restore the Property is in all respects subject to applicable environmental laws and the Purchaser shall not be required to restore the Property, indemnify the Seller, or be liable to the Seller for failing to restore the Property if restoration would result in a violation of any State or federal law or regulation, unless the violation is directly attributable to the Purchaser's own negligent acts. In the event any environmental condition or contamination results from Purchaser's activities on the Property, Purchaser shall be liable for remediating any such condition or hazard. The Purchaser hereby agrees to indemnify and hold harmless the Seller, its agents, officers, employees and affiliates from any and all liability, loss, costs and expenses, including reasonable attorneys' fees, damages, liens and judgments for personal injury or property damage resulting directly or indirectly from, or occurring during, the Inspections or other activities on the Property by the Purchaser or the Purchaser's designees. The foregoing notwithstanding, in the event that the Purchaser's Inspections reveal the presence of any contamination on the Property requiring remediation under applicable federal, State or local environmental laws, the Purchaser shall in no case indemnify the Seller or be legally responsible for any release of such contamination or for cleanup of the Property occasioned by Purchaser's discovery or investigative activities, unless such release or cleanup is directly or indirectly attributable to the Purchaser's or the Purchaser's designees' negligent acts, or unless the Purchaser purchases the Property, in which case Purchaser shall assume all liabilities and obligations arising from the presence of any and all such contamination. Purchaser shall procure the release, by bonding or otherwise, of any mechanics' lien filed against the Property as a result of the Inspections or its activities within thirty (30) days of the recording of any such lien. The obligations of the Purchaser under this subsection shall survive the Closing or termination of this Agreement pursuant its terms. The provisions of this Agreement regarding access to the Property shall supersede any previous agreements between the parties.

(c) Purchaser acknowledges receipt of copies of the Seller's reports on the environmental condition of the Property which are listed in Exhibit D attached hereto and made a part hereof (the "Seller's Reports"). Seller's Reports have been provided for the Purchaser's information only and the Seller shall incur no liability to the Purchaser with respect to the scope of Seller's Reports, the accuracy thereof and/or the information contained therein.

(d) Purchaser and the Seller acknowledge and agree (i) the Property is contaminated, (ii) the purchase price reflects the contamination, (iii) Purchaser shall accept the Property at



Closing, provided the contingencies set forth in Section 10 have been satisfied, and (iv) Purchaser shall assume all liabilities and obligations for remediation arising from the presence of such contamination. The Purchaser hereby agrees to indemnify and hold harmless the Seller, its agents, officers, employees and affiliates from any and all liability, loss, costs and expenses, including reasonable attorneys' fees, damages, liens and judgments resulting directly or indirectly from the presence of such contamination. Purchaser's agreement to indemnify and hold harmless the Seller as set forth herein shall survive the closing and purchase of the Property.

(e) The parties agree that a Form III, if required by Connecticut law, shall be filed pursuant to the Connecticut Transfer Act, C.G.S. § 22a-134 *et seq.* Seller shall prepare the Form III, shall sign it as the Transferor, and shall provide it to Purchaser prior to the transfer of the Property to Purchaser. On or before the date of transfer of the Property to Purchaser, Purchaser shall sign the Form III as the certifying party and as the Transferee. Purchaser, at Purchaser's sole cost and expense, shall prepare any and all other documents required by the DEP in connection with the Form III, including but not limited to the Environmental Condition Assessment Form ("ECAAF"), which Purchaser shall also sign as the certifying party. Purchaser shall file the Form III, the ECAAF and any other related documentation with the DEP within ten (10) days of the date of transfer of the Property to Purchaser together with Purchaser's payment of any required filing fees in the form required by the DEP (such as a bank check or money order). Purchaser shall promptly furnish copies of all such forms and submittal correspondence to Seller.

(f) After the Closing Date, Purchaser shall assume responsibility for compliance with all laws, and regulations, inclusive of environmental regulations, pertaining to the Property and the operation thereof, and shall complete the assessment and Remediation of any contamination discovered on the Property before or after the closing. "Remediation" means to contain, remove or abate pollution, potential sources of pollution and substances in soil or sediment which pose an unacceptable risk to human health or the environment as required by and in compliance with applicable environmental laws, and regulations, inclusive of the Connecticut Remedial Standard Regulations, RCSR §22a-133 K-1 *et seq.* Effective as of the closing, Purchaser also shall assume responsibility for compliance with the Transfer Act, if applicable.

13. PURCHASER'S REPRESENTATIONS. The Purchaser represents and covenants with the Seller as follows, such representations to be true as of the date hereof and shall survive the Closing:

(a) The Purchaser has full power and authority to carry out the obligations of this Agreement;

(b) The obligations of the Purchaser under this Agreement are valid and legally binding on the Purchaser;

(c) The person executing this Agreement on behalf of the Purchaser is legally authorized to act on behalf of and bind the Purchaser; and



(d) The transactions contemplated by this Agreement are not in violation of, nor prohibited by, the terms of the articles of organization, operating agreement, or any other agreement, license, commitment, oral or written, of the Purchaser.

14. SELLER'S REPRESENTATIONS. The Seller represents to the Purchaser as follows, such representations to be true to the best of the Seller's knowledge as of the date hereof and shall survive the Closing:

(a) Upon receipt of the Seller's Approvals, the Seller has full power and authority to carry out the obligations of this Agreement;

(b) The obligations of the Seller under this Agreement are valid obligations of the Seller and are legally binding on the Seller;

(c) The person executing this Agreement on behalf of the Seller is legally authorized to act on behalf of and bind the State; and

(d) The transactions contemplated by this Agreement are not in violation of, nor prohibited by, statute or the terms of any agreement, license or other commitment, oral or written of the Seller.

15. BROKER. Each Party represents that it has involved no real estate agent or broker in this transaction. The Purchaser hereby agrees to indemnify and hold harmless the Seller from any and all liability, loss, cost or expense, including reasonable attorneys' fees, damages, liens or judgments arising from any claim, action or proceeding for commission or other compensation by any broker or agent claiming to have brought about this transaction on behalf of the Purchaser.

16. NOTICES. Notices permitted or required under this Agreement shall be deemed received upon personal delivery, or upon one (1) business day following pick up by overnight courier (provided a receipt for delivery is obtained), or three (3) business days following mailing by certified mail, postage prepaid, return receipt requested to:

SELLER: State of Connecticut  
Department of Public Works  
165 Capitol Avenue  
Hartford, CT 06106  
Attn: Commissioner

WITH A COPY TO: State of Connecticut  
Department of Public Works, Legal Division  
165 Capitol Avenue, Room 437  
Hartford, CT 06106  
Attn: Managing Attorney

PURCHASER: Seaside in Waterford, LLC  
c/o HealthCare Consulting Corp.

74 Batterson Park Road  
Farmington, CT 06032  
Attn: Mr. Mark Steiner

WITH A COPY TO: Attorney Joseph A. Vitale  
422 Highland Avenue, Suite 13  
Cheshire, CT 06410

Any address or name specified above may be changed by a notice given to the addressee by the other party in accordance with this Section. The inability to deliver notice because of a changed address of which no notice was given or rejection or other refusal to accept any notice shall be deemed to be the receipt of this notice as of the date of such inability to deliver or rejection or refusal to accept.

17. DEFAULT.

(a) In the event of default by the Purchaser of its obligations under this Agreement, Seller shall notify Purchaser in writing of the nature of the default. Purchaser shall have fifteen (15) days from receipt of such notice to cure the default or make reasonable provisions to cure such default if such cure cannot be completed within the fifteen (15) day period. In the event Purchaser fails to cure the default, Seller shall have the right to terminate this Agreement with written notice to Purchaser. Seller, at its sole option, may either retain the Deposit as liquidated damages for the default, in which event this Agreement shall terminate and neither of the parties shall have any further rights against the other, or the Seller may seek whatever remedy may be available to the Seller.

(b) In the event of default by Seller of its obligations under this Agreement, Purchaser shall notify Seller in writing of the nature of the default. Seller shall have fifteen (15) days from receipt of such notice to cure the default or make reasonable provisions to cure such default if such cure cannot be completed within the fifteen (15) day period. In the event Seller fails to cure the default, Purchaser shall have the right, at the Purchaser's sole option, to either terminate this Agreement by giving written notice to the Seller of such termination, in which event the Seller shall return the Deposit to the Purchaser within ten (10) days of receipt of such notice of termination and all obligations of the parties shall be terminated, or the Purchaser may seek whatever remedy may be available to the Purchaser under Connecticut law.

18. RISK OF LOSS. Risk of loss or damage to the Property or any portion thereof by fire or other casualty until the time of the delivery of the Deed as provided in this Agreement is assumed by and shall remain with the Seller. Notwithstanding, Seller shall not have any obligation or liability, except at the Seller's option, for the repair or replacement of any such loss or damage to the Property. In the event that the Seller does not elect to repair or replace, or fails to repair or replace within ninety (90) days following any such loss, damage or casualty, the Purchaser shall have the option as follows:

(a) Of declaring this Agreement void and receiving return from the Seller of the Deposit. Upon receipt of such payment, further claims and obligations between the parties hereto by reason of this Agreement shall be released and discharged;

(b) Of accepting a Deed to the Property in accordance with all other provisions of this Agreement upon the payment of the aforesaid purchase price, less the amount of all sums actually paid to the Seller because of loss or damage to the Property by virtue of the provisions of any hazard insurance policies;

(c) If the amount to be paid to Seller under the provisions of any hazard insurance policies insuring the Property has not been determined or has not been fully paid to the Seller as of the Closing, Purchaser shall have the option of electing to accept the Deed in accordance with all other provisions of this Agreement, paying the purchase price less the amount of all sums actually paid to Seller on or before the Closing and accepting at Closing from Seller an assignment of Seller's rights and interest to the balance of any and all insurance proceeds payable to the Seller in connection with the Property and received subsequent to the Closing; and

(d) If any of the buildings situated on the Property and listed on national or State of Connecticut registers of historic places are damaged to an extent that they are no longer susceptible to renovation, as determined by the Purchaser's engineers based on generally accepted sound engineering principles, then the Purchaser shall have the option, upon written notice to the Seller within thirty (30) days of the date of such damage, to apply to the Town for a modification of the site plan for the Property, and the Seller shall extend the Closing for a period of one (1) year from the date of the Purchaser's written notice, for the Purchaser to obtain approval for such modification. The Purchaser agrees to promptly apply for such modification and to diligently pursue the same.

#### 19. CONDEMNATION.

(a) Prior to the Closing, the Seller shall promptly notify the Purchaser in the event that all or any portion of the Property is or is threatened to be taken by any federal authority under the power of eminent domain or condemnation, which notice shall include copies of any notices or other documents related to such taking.

(b) In the event of a taking as referred to in subsection (a), the Purchaser shall either (i) elect to rescind this Agreement, whereupon all obligations of the parties to each other shall terminate and the Seller shall return the Deposit within ten (10) days, or (ii) accept a conveyance of the Property pursuant to the provisions of this Agreement, subject, however, to the condemnation claim, in which event the Purchaser shall pay the full Purchase Price and the Seller shall assign the Seller's right to such condemnation claim to the Purchaser (except that if the Seller has received the proceeds of the condemnation prior to Closing, the amount of the award received by the Seller shall be reflected as a credit in favor of Purchaser against the Purchase Price).

20. DRAFTING ROLES. The parties agree that each has played a material role in the negotiation and drafting of this Agreement, and that the document shall not be construed against any party merely because of that party's role in the drafting thereof.

21. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement.

22. APPLICABLE LAW. This Agreement is being executed and delivered in the State of Connecticut and shall be construed and enforced in accordance with the laws of said State.

23. NO RECORDING. It is agreed between the parties that the neither party shall record this Agreement, or notice of same, on the Land Records of the Town. Should the Purchaser for any reason record this Agreement, then the Purchaser shall be deemed hereby to have appointed the Seller its attorney-in-fact to file a release of said recorded instrument and it is hereby agreed that upon the recording of any such release by the Seller, any recording of this Agreement by the Purchaser shall not constitute an encumbrance or cloud on title in any respect whatsoever. The Purchaser shall reimburse the Seller for all reasonable costs incurred by the Seller to obtain such release.

24. COOPERATION. Upon the Purchaser's request and at no cost to the Seller, the Seller agrees to execute and deliver to the Purchaser such additional instruments, certificates and documents as the Purchaser may reasonably require, whether or not after the Closing Date, in order to provide the Purchaser with the rights and benefits to which the Purchaser is entitled under this Agreement. The Seller shall execute, as owner of record of the Property, whatever applications the Purchaser may reasonably request in order to obtain all of the licenses, permits, and approvals necessary for the intended use of the Property.

25. ENTIRE AGREEMENT. This Agreement, including all exhibits hereto, constitutes the entire understanding between the parties with respect to the Property and no oral statements, representations, promises or understanding not set forth in this Agreement shall bind the parties unless reduced to writing and signed by both parties. This Agreement shall supersede all prior written agreements between the parties and their predecessors. No changes, amendments, or modifications of any of the terms or conditions of this Agreement shall be valid unless reduced to writing, signed by both parties, and approved by the Office of the Attorney General.

26. ASSIGNMENT. The Purchaser may not assign its interest in this Agreement without the consent of the Seller, which consent may be withheld in Seller's sole discretion, provided, however, Purchaser may collaterally assign its interest in this Agreement to Purchaser's lender.

27. GOVERNOR'S EXECUTIVE ORDERS. To the extent applicable, this Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order

No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings, Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace, Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, all of which are incorporated herein and made a part hereof.

28. NO WAIVER. Nothing contained within this Agreement may be construed as a waiver or limitation upon the State's sovereign immunity or a waiver of the jurisdiction of the Claims Commissioner.

29. WAIVERS; EXTENSIONS. No waiver of any breach of any provision of this Agreement will be considered a waiver of any preceding or succeeding breach of such provision or of any other provision of this Agreement. No extension of time for the performance of any obligation or act will be considered an extension of time for the performance of any other obligation or act.

30. BINDING EFFECT; NO THIRD PARTY BENEFIT. This Agreement will bind and inure to the benefit of the parties and their respective successors and assigns. The parties and their respective successors and assigns are the sole beneficiaries of this Agreement and nothing contained in this Agreement is intended to confer any benefit or rights upon any person who is not a party (as used herein, any reference to Seller or the State shall be construed to include any governmental agency of the State of Connecticut).

31. CALCULATION OF TIME. Unless otherwise specified elsewhere in this Agreement, a period of time stated as a number of days shall be construed to mean calendar days; provided, however, that when any period of time, so stated would end upon a Saturday, Sunday or State or federal legal holiday, such period will be considered to end upon the next day following which is not a Saturday, Sunday or state or federal legal holiday. "State," for the purpose of this Section, means the State of Connecticut.

32. CAPTIONS. The captions herein are solely for the convenience of the parties and shall have no meaning or effect in construing this Agreement.

33. INSTRUMENT NOT AN OFFER. This instrument shall not be deemed an offer to sell the Property or to convey title thereto and shall be of no force and effect of any kind until it has been duly executed by all parties and all applicable authorities required by Connecticut General Statutes.

34. ADDITIONAL PROVISIONS. The Non-Discrimination Provisions set forth in Exhibit E.

35. STATE CONTRACTS. For all State contracts as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement



expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC FORM 11 attached hereto as Exhibit F and made a part hereof.

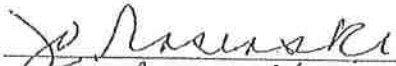
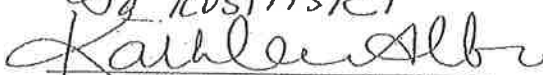
36. RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by it, at the same or different times, or any other such remedies for the same default or breach by the other party, shall not be a waiver of its other remedies.

37. SEVERABILITY. If any court shall hold a provision or provisions of this Agreement to be invalid, the remainder of this Agreement shall not be thereby affected if the Agreement can be effectively accomplished pursuant to the remaining provisions.


[REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Signed sealed and delivered in the presence of:

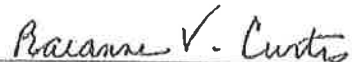
  
By: RUSINSKI  
  
KATHLEEN ALBINO

SEASIDE IN WATERFORD, LLC

By:   
Mark Steiner  
Its Manager

STATE OF CONNECTICUT

  
Rachel P. Whitcomb  
  
Kevin J. Kopetz

By:   
Raeanne V. Curtis  
Commissioner of Public Works

STATE OF CONNECTICUT)

COUNTY OF HARTFORD )

ss:

Farmington

10/20, 2010

Personally appeared Mark Steiner, Manager of Seaside in Waterford, LLC, signer of the foregoing instrument, and acknowledged the same to be the free act and deed of said limited liability company, and his free act and deed as such Member before me.



Commissioner of the Superior Court/

Notary Public

My Commission Expires: KATHLEEN ALBINO  
MY COMMISSION EXPIRES  
10/31/2013

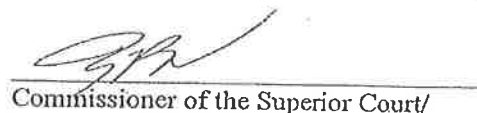
STATE OF CONNECTICUT)

COUNTY OF HARTFORD )

ss: Hartford

Oct. 22  
August, 2010

Personally appeared Raeanne V. Curtis, Commissioner of Public Works of the State of Connecticut, signer of the foregoing instrument, and acknowledged the same to be the free act and deed of the State, and her free act and deed as such Commissioner, before me.



Commissioner of the Superior Court/

Notary Public

My Commission Expires:



Approved:  
STATE PROPERTIES REVIEW BOARD

By: [Signature]  
Edwin S. Greenberg  
Its Chairman

Date signed: 3/10/2011

Approved:  
OFFICE OF POLICY AND MANAGEMENT

By: Brenda L. Sisco  
Brenda L. Sisco  
Its Secretary

Date signed: 11/2/2010

Approved:  
FINANCE, REVENUE AND BONDING COMMITTEE

By: Lilian M. Daily  
Its Senate Chair

Date signed: 3-22-11

Approved:  
FINANCE, REVENUE AND BONDING COMMITTEE

By: Patricia M. Widdif  
Its House Chair

Date signed: 3-22-11

Approved:  
GOVERNMENT ADMINISTRATION AND ELECTIONS COMMITTEE

By: [Signature]  
Its Senate Chair

Date signed: 4/11/11

Approved:  
GOVERNMENT ADMINISTRATION AND ELECTIONS COMMITTEE

By: [Signature]  
Its House Chair

Date signed: 4-11-11

Approved:  
OFFICE OF THE ATTORNEY GENERAL

By: [Signature]  
Its Associate Attorney General

Date signed: 4/18/11

EXHIBIT A

PROPERTY LEGAL DESCRIPTION

## FIRST PIECE

the following described land situated in the Town of Waterford, County of New London, said State of Connecticut, located on the southerly side of the Pleasure Beach Road, so-called, bounded and described as follows, to wit: Commencing at the northwest corner of the land herein conveyed, at its intersection with the land of Rosalie Washburn and the highway leading to Pleasure Beach; thence easterly by and along said Pleasure Beach Road five hundred seventy seven (577) feet, more or less, to land of Elizabeth Johnson; thence southerly by and along said Johnson land fifty (50) feet more or less; thence easterly by and along said Johnson land fifty (50) feet, more or less; thence southerly nine hundred forty (940) feet more or less, by and along land now or formerly belonging to G.V. Rogers; thence northeasterly by and along said Rogers land six hundred two (602) feet, more or less, to a wall; thence southeasterly by and along said wall to the waters of Long Island Sound; thence westerly by and along the waters of Long Island Sound fourteen hundred twenty (1420) feet more or less, to land of Julia Smith; thence northerly by and along said Julia Smith land six hundred (600) feet more or less to a wall; thence southeasterly by and along said wall two hundred fifty (250) feet more or less; thence northerly by and along land of Rosalie Washburn six hundred thirty-five (635) feet more or less, to a point; thence westerly along said Washburn land forty four (44) feet, more or less; thence northerly along said Washburn land one hundred sixty (160) feet, more or less, to the point of beginning.

## SECOND PIECE

all that certain tract of land situate in the Town of Waterford, State of Connecticut, bounded and described as follows: Commencing at a point in the West line of the property at land of George V. Rogers in the south line of a reserved right-of-way distant 557 feet southerly from the shore road; thence easterly with said right-of-way 100 feet to land of Leonora E. Phipard; thence southerly along the land of said Leonora E. Phipard 710 feet more or less to the edge of the bank and continuing the same course to the shore of Long Island Sound; thence westerly with the shore to land formerly of Francis A. Smith; thence northerly along the land formerly of Francis A. Smith to the top of the bank and continuing the same course from the top of the bank along from the land of said Francis A. Smith and land of George V. Rogers 710 feet, more or less, to the point or place of beginning. The shore front at the edge of the bank being 71.60 feet wide. The herein described land is the lot identified by the name of Henrietta A. Metcalf, formerly Emma M. Humpstead's share, shown on a plan filed with the deed in the Town Clerk's office of said Town of Waterford, on which map it states.

### THIRD PIECE

State of Connecticut a certain tract of land in the Town of Waterford, situated near the Great Neck Road, so-called, bounded and described as follows, viz:

Beginning at the southeasterly corner of the tract where it adjoins land now or formerly occupied as the Seaside Sanatorium, thence run northerly bounding easterly on lands purchased from Henrietta Metcalf forty-nine and one-half (49 1/2) feet to the southerly line of a ten (10) foot right of way bounding the Metcalf lot on the north; thence run westerly in a course about south 86 degrees and 15 minutes west, five hundred and twenty-five and six-tenths (525.6) feet to a wall to land formerly of Lida E. Smith; thence southerly with the wall three hundred and sixty-one (361) feet, more or less, to the southwest corner of the premises; thence in a general northeasterly direction six hundred and seventeen (617) feet, more or less, to the point of departure.

### FOURTH PIECE

a certain tract of land with the buildings thereon standing, situated in the town of Waterford, county of New London, State of Connecticut, and bounded and described as follows: BEGINNING at its northeasterly corner at its junction with land of the State of Connecticut and the Shore Road, so-called, running from the Great Neck Road to Pleasure Beach; thence running westerly, bounding northerly on said road, three hundred four and five tenths (304.5) feet to a stone wall and right of way; thence running in a southerly direction, following said stone wall and right of way, one hundred twenty-five and seven tenths (125.7) feet to an angle in the wall; thence running southerly along said wall and right of way one hundred eighty-four and three tenths (184.3) feet to another stone wall and land of Julia Smith; thence running easterly along said Smith land, said stone wall, and an extension of the line of said stone wall forty-two and eight tenths (42.8) feet; thence following a curve to the north and east along said Smith land one hundred thirty-two (132) feet to a more stone; thence running southerly, bounding westerly on said Smith land, four hundred two and two tenths (402.2) feet to a right of way; thence running in a southeasterly direction along said right of way three hundred forty-two and six tenths (342.6) feet to land of the State of Connecticut; thence running in a northerly direction, bounding easterly on said land of the State of Connecticut, five hundred sixty-eight (568) feet; thence running in an easterly direction forty (40) feet; thence running in a northerly direction one hundred four (104) feet; thence running in a westerly direction thirty-nine and eight tenths (39.8) feet; thence running in a northerly direction one hundred sixty-one and seven tenths (161.7) feet to the point of beginning (said last four lines running along land of the State of Connecticut).

EXHIBIT A-1

Survey Property of the State of Connecticut Seaside Regional Center,  
Shore Road, Waterford, Connecticut



EXHIBIT B

QUIT CLAIM DEED

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME, GREETING:

KNOW YE, THAT IT, THE STATE OF CONNECTICUT ("Releasor") acting herein by Denise L. Nappier, its Treasurer, duly authorized pursuant to the provisions of Section 4b-21 of the Connecticut General Statutes, for good and valuable consideration, received to its full satisfaction of SEASIDE IN WATERFORD, LLC, a Connecticut limited liability company having offices at 74 Batterson Park Road, Farmington, Connecticut ("Releasee"), does by these presents, for itself and its successors and assigns, justly and absolutely remise, release and forever QUIT CLAIM unto it the said Releasee, its successors and assigns forever, all such right and title as it, the said Releasor, has or ought to have in or to that certain piece or parcel of land, with all of the improvements thereon, and all appurtenances thereto, situated in the Town of Waterford, County of New London, State of Connecticut, as more particularly bounded and described in Schedule A attached hereto and made a part hereof (the "Premises").

The Premises are conveyed with right to enter upon and utilize certain portions of the parcel of land owned by Releasor adjacent to the Premises, said parcel more fully described in Schedule B attached hereto (the "State Parcel"), for the sole purpose of installing and maintaining landscaping (the "Landscape Easement Area"), the Landscape Easement Area being more particularly described and shown on that certain map entitled "[name of final site plan as approved by the Town of Waterford Planning & Zoning to be inserted prior to execution of this document]" by [surveyor], dated \_\_\_\_\_, which map is on file in the Waterford Town Clerk's Office (the "Map"). Releasee's rights to utilize the Landscape Easement shall be subject to the terms and conditions set forth in Schedule C attached hereto and made a part hereof.

Releasor hereby reserves unto itself, for the benefit of the occupants of the State Parcel, the right to use the driveways or pathways existing or constructed on the Premises for pedestrian travel over and across the Premises. Releasor further reserves unto itself a right of way for pedestrian access from the State Parcel to the Premises; the location of such right of way as shown on the Map. Such access right shall remain in force and effect so long as title to the State Parcel is vested in the State of Connecticut or the Town of Waterford.

The conveyance to Releasee of the Premises is made subject to the terms and conditions of the Public Access Easement and Conservation Restriction, to be recorded immediately subsequent to this Quit Claim Deed with the Waterford Town Clerk.

TO HAVE AND TO HOLD, the Premises unto it, the Releasee, its successors and assigns, to the only use and behoof of it, its successors and assigns forever, so that neither it the Releasor, nor any person or persons in its name and behalf, shall or will hereafter claim or demand any right or title to the Premises or any part thereof, but they and any one of them shall by these present be excluded and forever barred.

IN WITNESS WHEREOF, the said Releasor, acting herein by its said Treasurer, duly authorized, has hereunto set its hand this \_\_\_\_ day of \_\_\_\_\_, 2010.

Signed in the presence of:

RELEASOR:

STATE OF CONNECTICUT

By: \_\_\_\_\_  
Denise L. Nappier  
Its Treasurer  
Duly Authorized

STATE OF CONNECTICUT )  
COUNTY OF HARTFORD ) ss. Hartford

Before me, the undersigned officer, personally appeared, Denise L. Nappier, Treasurer of the State of Connecticut, known to me to be the person described in the foregoing instrument, and acknowledged that she executed the same in the capacity therein stated and for the purposes therein contained.

\_\_\_\_\_  
Commissioner of the Superior Court/  
Notary Public

Statutory Authority: 4b-21  
Approved:  
OFFICE OF THE ATTORNEY GENERAL

By: \_\_\_\_\_

Date signed: \_\_\_\_\_

Its Associate Attorney General

SCHEDULE A

Legal Description of the Property

[insert legal description]

The Property shall be conveyed subject to that certain Conservation and Public Recreation Easement from the State of Connecticut Department of Public Works to the State of Connecticut Department of Environmental Protection dated \_\_\_\_\_ and recorded \_\_\_\_\_ in Volume \_\_\_\_ at Page \_\_\_\_ of the Waterford Land Records.



SCHEDULE B

Legal Description of the State Parcel

## SCHEDULE C

### LANDSCAPE EASEMENT TERMS AND CONDITIONS

1. Releasee may use the Landscape Easement Area for the limited purpose of installing, maintaining, repairing and replacing vegetative and non-vegetative landscape features in the Landscape Easement Area.
2. Releasee, at its sole cost, shall be responsible for maintaining the Landscape Easement Area in kempt manner reasonably free of hazardous or unsafe conditions.
3. Releasor may not use the Landscape Easement area in any manner that obstructs access, sightline or safe use of the existing driveway(s) on the State Parcel.
4. Releasee, its officers, employees, members, agents, contractors, transferees, successors and/or assigns, shall indemnify and hold harmless Releasor, its officers, employees, members, agents, contractors, transferees, successors and/or assigns, for any and all claims, damage, loss or other liabilities arising from or related to Releasee's use of the Landscape Easement Area.

EXHIBIT C  
TITLE AFFIDAVIT

OWNERS AFFIDAVIT

(To Be Executed by Seller or Owner in Possession)

STATE OF CONNECTICUT )

) ss.

COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, 2005

The undersigned, owner(s) of certain real property situated in the Town/City of \_\_\_\_\_ State of Connecticut, known as \_\_\_\_\_ and more particularly described in *FIRST AMERICAN TITLE INSURANCE COMPANY* Policy No. \_\_\_\_\_, being first duly sworn, depose(s) as follows:

- (1) THAT THIS TRANSACTION INVOLVES THE SALE, LEASE OR MORTGAGE OF REAL PROPERTY ON WHICH ALL STRUCTURES AND IMPROVEMENTS HAVE BEEN COMPLETED FOR MORE THAN NINETY DAYS; AND

THAT WITHIN THE LAST NINETY DAYS, INCLUDING THE DATE HEREOF, NO PERSON, FIRM, OR CORPORATION HAS FURNISHED ANY LABOR, SERVICE OR MATERIALS IN CONNECTION WITH THE CONSTRUCTION OR REPAIR OF ANY BUILDINGS OR IMPROVEMENTS OR SITE WORK ON THE PREMISES; AND

THAT, AS OF THE DATE HEREOF, NO WORK, SERVICE OR MATERIALS HAVE BEEN CONTRACTED FOR FUTURE CONSTRUCTION, REPAIR OR SITE WORK ON THE PREMISES, AND THAT NO CONTRACTOR, SURVEYOR OR ARCHITECT HAS BEEN HIRED TO PERFORM ANY SUCH SERVICE.

- (2) That there are no present tenants, lessees or other parties in possession of said premises.
- (3) That there are no known violations of restrictive covenants or zoning laws.
- (4) That the premises have direct access to or border on a public highway.
- (5) That there are no known encroachments of structures or other improvements onto adjoining land or any easement, and that no structures or other improvements encroach onto the subject premises.
- (6) That after examining a certain survey entitled \_\_\_\_\_

made by \_\_\_\_\_

, dated \_\_\_\_\_

no exterior alterations or additions have been made to the buildings shown on said survey, that no additional buildings have been constructed on said premises since the date of said survey, and that said survey reflects the current status of the premises.

This Affidavit is made for the purpose of inducing \_\_\_\_\_ to purchase, and/or \_\_\_\_\_ to accept a mortgage, on said premises and to induce *FIRST AMERICAN TITLE INSURANCE COMPANY* to issue its policy or policies of title insurance, well knowing that they will do so only in complete reliance upon the truth and accuracy of the statements contained herein.

\_\_\_\_\_  
Signature of Property Owner

Subscribed and sworn to before me this

\_\_\_\_\_ day of \_\_\_\_\_, A.D., 20\_\_

\_\_\_\_\_  
Notary Public/Commissioner of the Superior Court

EXHIBIT D

Seller's Environmental Reports Provided to Purchaser

1. Phase I
2. Phase II
3. Phase III

## EXHIBIT E

### NON-DISCRIMINATION PROVISIONS

References in this section to "Contract" shall mean this Agreement and references to "Contractor" shall mean the Purchaser.

- (a) The following subsections are set forth here as required by section 4a-60 of the Connecticut General Statutes:

(1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission; (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f; (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and section 46a-56.

- (b) If the Contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (c) "Minority business enterprise" means any small contractor or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) Who are active in the daily affairs of the enterprise, (2) who have the power to

direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in subsection (a) of section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

- (d) Determination of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (e) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- (f) The Contractor shall include the provisions of sections (a) and (b) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (g) The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes:
  - (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
  - (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and
  - (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities

with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this section and section 46a-56.

- (h) The Contractor shall include the provisions of section (g) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (i) For the purposes of this entire Non-Discrimination section, "Contract" or "contract" includes any extension or modification of the Contract or contract, "Contractor" or "contractor" includes any successors or assigns of the Contractor or contractor, "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced, and "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders. For the purposes of this section, "Contract" does not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).



## EXHIBIT F

SEEC FORM 11

### NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN

This notice is provided under the authority of Connecticut General Statutes 9-612(g)(2), as amended by P.A. 07-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (*italicized words are defined below*):

#### Campaign Contribution and Solicitation Ban

*No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.*

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative; (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

#### Duty to Inform

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

#### Penalties for Violations

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties--\$2000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of \$2000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or \$5000 in fines, or both.

Contract Consequences

Contributions made or solicited in violation of the above prohibitions may result, in the case of a state contractor, in the contract being voided.

Contributions made or solicited in violation of the above prohibitions, in the case of a prospective state contractor, shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State will not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information and the entire text of P.A. 07-1 may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seec](http://www.ct.gov/seec). Click on the link to "State Contractor Contribution Ban."

Definitions:

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or

unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan or a loan to an individual for other than commercial purposes.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General

Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

## EXHIBIT G

### ESCROW AGREEMENT

This agreement relates to purchase money deposits in the aggregate amount of Five Hundred Thousand and 00/100 (\$500,000.00) Dollars, to be paid in the manner set forth in the agreement entitled Purchase and Sale Agreement dated \_\_\_\_\_, 2010 (the "Agreement") by and between THE STATE OF CONNECTICUT, acting through the Commissioner of Public Works with an address and place of business at 165 Capitol Avenue, Hartford, Connecticut 06106 ("Seller" or the "State") and SEASIDE IN WATERFORD, LLC, a Connecticut limited liability company with an address and place of business c/o HealthCare Consulting Corp., 74 Batterson Park Road, Farmington, Connecticut 06032 ("Buyer") pertaining to real property known as Seaside Regional Center, located on Shore Road, Watertown, Connecticut (the "Property") which sum shall be deposited in escrow in an interest bearing account with First American Title Insurance Company ("FATIC") in accordance with the Agreement.

We, the undersigned, do hereby jointly and severally agree that FATIC ("Escrow Agent") shall incur no liability whatsoever in connection with its good faith performance under The Agreement, and do hereby jointly and severally release and waive any claims we may have against FATIC, which may result from its performance in good faith of its function as Escrow Agent, including but not limited to, a delay in the transfer of funds. FATIC shall be liable only for the loss or damage caused directly by its acts of gross negligence or willful misconduct while performing as Escrow Agent under this Escrow Agreement.

The Escrow Agent shall be entitled to rely upon the authenticity of any signature and upon the genuineness and validity of any writing (including writings received by facsimile or electronic mail) received by Escrow Agent relating to this Escrow Agreement. Escrow Agent may rely upon any oral identification of a party notifying Escrow Agent orally as to matters relating to this Agreement if such oral notification is permitted thereunder. Escrow Agent is not responsible for the nature, content, validity or enforceability of any of the escrow documents. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE AGREEMENT, BUYER AND SELLER AGREE THAT ESCROW AGENT SHALL NOT RELEASE ANY FUNDS UNLESS AND UNTIL WRITTEN NOTICE HAS BEEN RECEIVED BY ESCROW AGENT, EXECUTED BY BOTH BUYER AND SELLER, AUTHORIZING THE RELEASE OF THE FUNDS. SAID NOTICE TO ESCROW AGENT SHALL SET FORTH THE AMOUNT TO BE RELEASED AND THE PARTY TO WHOM PAYMENT IS TO BE MADE.

In the event of any disagreement between the parties hereto resulting in conflicting instructions to, or adverse claims or demands upon the Escrow Agent with respect to the release of the escrow funds or escrow documents, the Escrow Agent may refuse to comply with any such instruction, claim or demand so long as such disagreement shall continue, and in so refusing the Escrow Agent shall not further release the escrow funds or the escrow documents. The Escrow Agent shall not be, or become liable in any way for its failure or refusal to comply with any such conflicting instructions or adverse claims or demands, and it shall be entitled to continue to refrain from acting until such conflicting instructions or adverse claims or demands



(a) shall have been reconciled by agreement and Escrow Agent shall have been notified in writing thereof by the Seller and Buyer; or (b) shall have finally been determined in a court of competent jurisdiction.

The Escrow Agent may, at its sole discretion, resign by giving (30) days written notice hereof to the parties hereto. The parties shall furnish to the Escrow Agent written instructions for the release of the escrow funds and escrow documents. If the Escrow Agent shall not have received such written instructions within the thirty (30) days, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent and upon such appointment deliver the escrow funds and escrow documents to such successor. Costs and fees incurred by the Escrow Agent may, at the option of the Escrow Agent and with the written consent of Buyer and Seller, be deducted from any funds held pursuant hereto.

The Escrow Agent's actions to resolve any disagreement, uncertainty, conflict or dispute as to the Administration by Escrow Agent of its duties and obligations hereunder are subject to Chapter 53 of the General Statutes of the State of Connecticut as may be amended from time to time..

The parties hereto do hereby agree that they are aware that the Federal Deposit Insurance Corporation (FDIC) coverage applies only to a maximum amount of \$100,000 for each individual depositor and that they are aware that FATIC assumes no responsibility for, nor will they hold FATIC liable for any loss occurring which arises from the fact that the amount held by the Escrow Agent in any account may cause the aggregate amount of any individual depositor's accounts to exceed \$100,000 and that the excess amount is not insured by the FDIC.

Nothing in this Agreement shall be construed as a waiver of the State's sovereign immunity.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 200.

(Seller)

State of Connecticut

By: \_\_\_\_\_

Commissioner of Public Works

Contact:

(Buyer)

Seaside in Waterford, LLC

By: \_\_\_\_\_

Mark Steiner

Its Member, Duly Authorized

(Escrow Agent)

First American Title Insurance Company

By: \_\_\_\_\_

Approved:

Office of the Attorney General

By: \_\_\_\_\_

Its Associate Attorney General



## EXHIBIT G

### ESCROW AGREEMENT

This agreement relates to purchase money deposits in the aggregate amount of Five Hundred Thousand and 00/100 (\$500,000.00) Dollars, to be paid in the manner set forth in the agreement entitled Purchase and Sale Agreement dated October 22, 2010 (the "Agreement") by and between THE STATE OF CONNECTICUT, acting through the Commissioner of Public Works with an address and place of business at 165 Capitol Avenue, Hartford, Connecticut 06106 ("Seller" or the "State") and SEASIDE IN WATERFORD, LLC, a Connecticut limited liability company with an address and place of business c/o HealthCare Consulting Corp., 74 Batterson Park Road, Farmington, Connecticut 06032 ("Buyer") pertaining to real property known as Seaside Regional Center, located on Shore Road, Watertown, Connecticut (the "Property") which sum shall be deposited in escrow in an interest bearing account with First American Title Insurance Company ("FATIC") in accordance with the Agreement.

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The Escrow Agent shall be entitled to rely upon the authenticity of any signature and upon the genuineness and validity of any writing (including writings received by facsimile or electronic mail) received by Escrow Agent relating to this Escrow Agreement. Escrow Agent may rely upon any oral identification of a party notifying Escrow Agent orally as to matters relating to this Agreement if such oral notification is permitted thereunder. Escrow Agent is not responsible for the nature, content, validity or enforceability of any of the escrow documents. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE AGREEMENT, BUYER AND SELLER AGREE THAT ESCROW AGENT SHALL NOT RELEASE ANY FUNDS UNLESS AND UNTIL WRITTEN NOTICE HAS BEEN RECEIVED BY ESCROW AGENT, EXECUTED BY BOTH BUYER AND SELLER, AUTHORIZING THE RELEASE OF THE FUNDS. SAID NOTICE TO ESCROW AGENT SHALL SET FORTH THE AMOUNT TO BE RELEASED AND THE PARTY TO WHOM PAYMENT IS TO BE MADE.

In the event of any disagreement between the parties hereto resulting in conflicting instructions to, or adverse claims or demands upon the Escrow Agent with respect to the release of the escrow funds or escrow documents, the Escrow Agent may refuse to comply with any such instruction, claim or demand so long as such disagreement shall continue, and in so refusing the Escrow Agent shall not further release the escrow funds or the escrow documents. The Escrow Agent shall not be, or become liable in any way for its failure or refusal to comply with any such conflicting instructions or adverse claims or demands, and it shall be entitled to continue to refrain from acting until such conflicting instructions or adverse claims or demands

(a) shall have been reconciled by agreement and Escrow Agent shall have been notified in writing thereof by the Seller and Buyer; or (b) shall have finally been determined in a court of competent jurisdiction.

The Escrow Agent may, at its sole discretion, resign by giving (30) days written notice hereof to the parties hereto. The parties shall furnish to the Escrow Agent written instructions for the release of the escrow funds and escrow documents. If the Escrow Agent shall not have received such written instructions within the thirty (30) days, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent and upon such appointment deliver the escrow funds and escrow documents to such successor. Costs and fees incurred by the Escrow Agent may, at the option of the Escrow Agent and with the written consent of Buyer and Seller, be deducted from any funds held pursuant hereto.

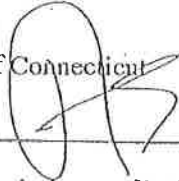
The Escrow Agent's actions to resolve any disagreement, uncertainty, conflict or dispute as to the Administration by Escrow Agent of its duties and obligations hereunder are subject to Chapter 53 of the General Statutes of the State of Connecticut as may be amended from time to time.

The parties hereto do hereby agree that they are aware that the Federal Deposit Insurance Corporation (FDIC) coverage applies only to a maximum amount of \$100,000 for each individual depositor and that they are aware that FATIC assumes no responsibility for, nor will they hold FATIC liable for any loss occurring which arises from the fact that the amount held by the Escrow Agent in any account may cause the aggregate amount of any individual depositor's accounts to exceed \$100,000 and that the excess amount is not insured by the FDIC.

Nothing in this Agreement shall be construed as a waiver of the State's sovereign immunity.


Dated this 13<sup>th</sup> day of June, 2011.

(Seller)  
State of Connecticut

By:   
Commissioner of Public Works

Contact:

(Buyer)  
Seaside in Waterford, LLC

By:   
Mark Steiner  
Its Member, Duly Authorized

(Escrow Agent)  
First American Title Insurance Company

By:   
Barbara Zee  
Vice President

Approved:  
Office of the Attorney General

By:  8/17/11  
Joseph Rubin  
Its Associate Attorney General

## **EXHIBIT B**

## Press Releases



September 30, 2014

### **GOV. MALLOY ANNOUNCES PLANS TO CREATE CONNECTICUT'S FIRST SHORELINE STATE PARK IN OVER 50 YEARS IN WATERFORD**

(WATERFORD, CT) - Governor Dannel P. Malloy today announced plans to turn the approximately 32-acre property in Waterford commonly known as "Seaside" into the Connecticut's first shoreline state park in over 50 years. Converting the property, which borders Long Island Sound, into a state park will preserve the grounds while also maintaining public access to the beautiful shoreline, the Governor explained.

"This is a beautiful piece of land that should be used for the direct benefit and enjoyment of the residents of Waterford and the State of Connecticut," Governor Malloy said.

"Representative Betsy Ritter and Senator Andrea Stillman have been strongly advocating for terminating the contract and preserving public access to this spectacular property, and I think they are absolutely right. We've given this developer more than enough time to make his plans come to fruition, and we now have an opportunity reassess the future of this property and allow the people of Connecticut to enjoy its natural beauty for generations."

While the property is owned by the state, it has been subject to a contract with a private developer since 2010, prior to Governor Malloy's term in office. The Governor today announced that the Department of Administrative Services has notified the developer that the state is terminating that contract.

Governor Malloy is directing the state Department of Energy and Environmental Protection (DEEP), the Department of Administrative Services (DAS), and the Office of Policy and Management (OPM) to work together to determine the costs of preserving whatever historically significant property can be preserved, removing what cannot be saved, and designing and establishing appropriately-scaled facilities for park users.

The Governor also emphasized his commitment to working with the local community during the planning process. "This must be done with the involvement of the local community, so I am directing DEEP to hold public hearings in Waterford to ensure that the planning process is informed by the community's thoughts on the appropriate use of the property," he said.

The Governor is asking the state agencies to conclude their review by January 1, 2015.

"Governor Malloy's action to preserve Seaside as a state park is a perfect capstone to the celebration of the Centennial of our park system," DEEP Commissioner Rob Klee said.

"Designating these scenic lands as a new state park helps guarantee that our residents and visitors have expanded access to our Long Island Sound waters and the first-rate outdoor recreational activities they provide. This is the perfect way to launch the second century of our state park system."

"For years, Representative Ritter and I pressured the previous Governor to take action on this property, and for years our urging fell on deaf ears," State Senator Andrea Stillman said. "I'm glad that in Governor Malloy we have a leader who doesn't just sit on the sidelines and do what is politically expedient - he does what is best for our state. In this case, the Governor has offered an outstanding proposal for the future of Seaside, one that preserves the environment while maintaining public access to the property. This may be a once in a generation opportunity - the chance to create a coastal state park - and I'm excited that it is happening here in Waterford."

"I'm very pleased to see the Governor's response to our insistence that when it comes to Seaside, enough is enough," said State Representative Betsy Ritter. "For too long, the future of Seaside has been a great unknown. This proposal offers us one potential future - one that is a win for our environment, a win for Waterford, and a win for the region. There will be ample opportunity for public input on this proposal, and I'm very much looking forward to hearing our neighbors' thoughts. We have a singular opportunity here and I hope we will take advantage of it."

The Connecticut State Park System operates under the management of DEEP and currently consists of 107 parks with more than 32,000 acres of land and more than eight million visitors a year. A list of Connecticut's state parks, including visitor information, can be found online at [www.ct.gov/deep](http://www.ct.gov/deep) (<http://www.ct.gov/deep>)

###

For Immediate Release: September 30, 2014

Contact: David Bednarz

[David.Bednarz@ct.gov](mailto:David.Bednarz@ct.gov) (<mailto:David.Bednarz@ct.gov>)

860-524-7315 (office)

860-770-9792 (cell)

Twitter: [@GovMalloyOffice](http://twitter.com/@GovMalloyOffice) (<http://twitter.com/@GovMalloyOffice>)

Facebook: [Office of Governor Dannel P. Malloy](http://www.facebook.com/GovMalloyOffice) (<http://www.facebook.com/GovMalloyOffice>)



## EXHIBIT C



DEPARTMENT OF ADMINISTRATIVE SERVICES



STATE OF CONNECTICUT

165 Capitol Avenue  
Hartford, CT 06106-165

September 30, 2014

**Via Email and Overnight Delivery**

Seaside in Waterford, LLC  
c/o HealthCare Consulting Corp.  
74 Batterson Park Road  
Farmington, CT 06032  
Attn: Mr. Mark Steiner

**Re: Purchase and Sale Agreement made October 22, 2010.**

Dear Mr. Steiner:

The State of Connecticut, acting through the Commissioner of Public Works (predecessor in interest to the Commissioner of Administrative Services) ("the State"), entered into a Purchase and Sale Agreement (the "Agreement") with Seaside in Waterford, LLC ("Seaside") made on October 22, 2010 for certain real property known as Seaside Regional Center in Waterford, Connecticut ("Property"). This letter is to inform you that Seaside is in default under the Agreement for reasons that include, but are not necessarily limited to, Seaside failing to receive and/or diligently pursue necessary Land Use Approvals (as such term is defined in the Agreement) in accordance with Section 10(d).

The State hereby reserves, and nothing contained in this letter shall be interpreted as a waiver of, all rights and remedies available to it under the Agreement or as otherwise provided by law.

Very truly yours,

Donald J. DeFronzo  
Commissioner

cc: George Jepsen, Connecticut Attorney General  
Joseph A. Vitale, Esq.  
Lewis K. Wise, Esq.  
Shane P. Mallory, RPA, DAS Administrator, Leasing and Property Transfer

## **EXHIBIT D**

LEWIS K. WISE  
lwise@roginlaw.com

September 30, 2014

VIA EMAIL Donald.defronzo@ct.gov and REGULAR MAIL

Commissioner Donald J. DeFronzo  
Department of Administrative Services  
165 Capitol Avenue  
Hartford, CT 06106

*Re: Seaside in Waterford, LLC*

Dear Commissioner DeFronzo:

This office represents Mark Steiner and Seaside in Waterford, LLC ("SIW").

I am advised by Mr. Steiner that he has received a notice that SIW is in default under the Purchase and Sale Agreement ("Agreement") dated October 22, 2010. According to the letter, the default is the result of SIW's failure to "diligently pursue" the applicable land use approvals deemed necessary by SIW for the redevelopment of Seaside and for possible other unspecified reasons. The letter fails to explain what facts you are relying on with respect to the purchaser's failure to diligently pursue the approvals in question.

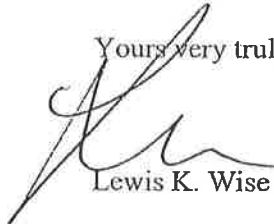
The purpose of this letter is to advise you that my client vehemently denies that he has failed to diligently pursue the land use approvals and asks that you reconsider your decision. As you know, in August 2011, the town approved certain necessary zoning amendments. The decision was appealed to the Superior Court by a neighbor. Under the Agreement, all time necessary to resolve appeals extends the Permitting Period, which itself contains no deadlines. When this appeal was finally resolved in favor of SIW in October 2013, another application was filed with the town to allow, *inter alia*, an inn as part of the Seaside development. That application was denied several weeks ago by one vote due to the illegal participation of one of the members of the planning and zoning commission due to a conflict of interest acknowledged by the town attorney. That decision has been appealed and we expect the denial to be vacated shortly with the agreement of the town. In short, my client has indeed diligently pursued the applications which he deemed necessary as was his right under Section 10(a) of the Agreement.

Moreover, the default provision of the Agreement requires notice and a 15-day period within which to cure the default or make reasonable provisions to cure. As noted above, my client has appealed the latest decision of the planning and zoning commission and expects the denial to be quickly vacated. Therefore, even if there were grounds for the default, SIW is in the process of making reasonable provisions to cure.

Page 2  
September 30, 2014

On behalf of my client, I ask that you reconsider your decision. If you do not, my client intends to file an appropriate action for breach of contract, deprivation of civil rights, damages and injunctive relief.

Yours very truly,

A handwritten signature in black ink, appearing to be 'LKW', written over the typed name 'Lewis K. Wise'.

Lewis K. Wise

LKW:pjl

cc: Shane Mallory [Shane.mallory@ct.gov](mailto:Shane.mallory@ct.gov)  
Daniel Steward [dsteward@waterfordct.org](mailto:dsteward@waterfordct.org)  
Sandra Guerra, DAS [Sandra.guerra@ct.gov](mailto:Sandra.guerra@ct.gov)

## **EXHIBIT E**





165 Capitol Avenue  
Hartford, CT 06106-1658

October 17, 2014

Via Overnight Delivery

Seaside in Waterford, LLC  
c/o HealthCare Consulting Corp.  
74 Batterson Park Road  
Farmington, CT 06032  
Attn: Mr. Mark Steiner

Re: Purchase and Sale Agreement made October 22, 2010.

Dear Mr. Steiner:

The State of Connecticut, acting through the Commissioner of Public Works (predecessor in interest to the Commissioner of Administrative Services) ("the State"), entered into a Purchase and Sale Agreement (the "Agreement") with Seaside in Waterford, LLC ("Seaside") on October 22, 2010 for certain real property known as Seaside Regional Center in Waterford, Connecticut ("Property"). By letter dated September 30, 2014, the State notified Seaside that Seaside was in default of its obligations under the Agreement. This letter is to inform you that the State is terminating the Agreement pursuant to Section 17(a) due to Seaside's failure to cure the default or make reasonable provisions to cure the default. Such termination is effective as of the date of this letter. As further provided in Section 17(a) of the Agreement, the State has determined to retain the deposit of \$250,000 as liquidated damages.

The State hereby reserves, and nothing contained in this letter may be interpreted as a waiver of, all rights and remedies available to it under the Agreement or as otherwise provided by law.

Very truly yours,

Donald J. DeFronzo  
Commissioner

cc: George Jepsen, Connecticut Attorney General  
Shane Mallory, Administrator of Leasing and Property Transfers  
Joseph A. Vitale, Esq.  
Lewis K. Wise, Esq.

## **EXHIBIT F**

# ROGIN NASSAU LLC

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LEWIS K. WISE  
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October 24, 2014

VIA EMAIL [Donald.defronzo@ct.gov](mailto:Donald.defronzo@ct.gov) and REGULAR MAIL

Commissioner Donald J. DeFronzo  
Department of Administrative Services  
165 Capitol Avenue  
Hartford, CT 06106

***Re: Termination of Seaside in Waterford, LLC Purchase and Sale Agreement***

Dear Commissioner DeFronzo:

As you know, this office represents Mark Steiner and Seaside in Waterford, LLC ("SIW"). This is in response to your letter of October 17, 2014 notifying SIW that you have terminated the Purchase and Sale Agreement ("Agreement") dated October 22, 2010 between the State and SIW. Pursuant to the Agreement, SIW had the right to purchase the Seaside Regional Center in Waterford ("Seaside") contingent upon receiving all land use approvals deemed necessary by SIW for the redevelopment of the site. Your letter to my client dated September 30, 2014 notified my client that SIW was in default under the Agreement for failing to "diligently pursue" those land use approvals. Your October 17, 2014 letter states that you are terminating the contract because SIW has failed to cure the default or make reasonable provisions to do so.

As I stated in my September 30, 2014 letter to you in response to your default letter, SIW vehemently denies that it has failed to diligently pursue the land use approvals in question. Your finding that SIW is in default is not only unsupported by the facts, it is belied by your own prior statements regarding SIW's performance under the Agreement. For example, in April 2014 you wrote a letter to the editor published in the *New London Day* in which you stated that you were satisfied with my client's progress in pursuing the land use approvals. Indeed, in addressing the delay which had occurred since the Agreement was signed in October 2010, you correctly pointed out that "a private lawsuit was filed in 2011 challenging the developer's plan. That challenge was litigated for two years and resolved in favor of the developer, Seaside in Waterford, LLC, late last year. It would not be fair to hold that delay against the developer. Since then the State has regularly met with the developer to assure that he is making diligent efforts to get the required approvals." (Emphasis added).

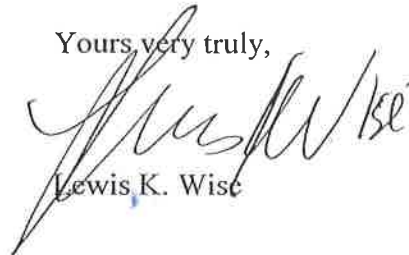
As you should know, since your April 2014 conclusion that SIW was not in default, SIW has been engaged in seeking a variety of necessary zoning amendments including one which would allow an inn as part of the redevelopment. SIW's application for these amendments was filed on or about May 19, 2014. Before the public hearing convened, SIW requested that one of the commission members, Dana Award, recuse himself from the proceeding because of bias and a conflict of interest because (1) he had spoken in opposition to the redevelopment of Seaside; (2) his home abuts Seaside; and (3) his wife filed an appeal of the promulgation of the 2003 zoning regulations allowing the redevelopment of the Seaside property. In addition, the town attorney advised Mr. Award that under the circumstances he was required to recuse himself. However, Mr. Award refused to do so. With Mr. Award participating, public hearings on the application were held on June 25 and July 16. On September 15, 2014, the Waterford Planning and Zoning Commission voted in favor of the application by a vote of 3-2 with Mr. Award predictably voting no. However, because a successful protest petition had been filed by the neighbors, a two-thirds vote was required to approve the application. As a consequence, the application was denied.

An appeal of this decision was filed on or about September 26, 2014. As explained in my September 30, 2014 letter, because of the obvious impropriety of Mr. Award's participation in the proceeding recognized by the town attorney, we expect the recent denial to be quickly vacated by the court.

The reason for this detailed account of SIW's recent activities in pursuing the necessary approvals is to demonstrate that since your April 2014 statement, there is not an iota of evidence that SIW has failed to diligently pursue the approvals. Therefore, there are absolutely no grounds for a finding of default under the Agreement and even if there were, SIW has made reasonable provisions to cure.

Finally, Section 17(b) of the Agreement provides that "In the event of default by Seller of its obligations under this Agreement, Purchaser shall notify the Seller in writing of the nature of the default." Accordingly, this letter constitutes SIW's notice to the Seller that the Seller is in default of its obligations under the Agreement because of its termination of the Agreement without any justification. Pursuant to Section 17(b), the Seller has fifteen (15) days to cure this default by reinstating the Agreement. In the event the Agreement is not reinstated, SIW intends to institute an appropriate action for breach of contract, deprivation of civil rights, damages and injunctive relief. The damages incurred by my client due to the State's illegal termination of the Agreement are expected to be in excess of fifty million dollars.

Yours very truly,



Lewis K. Wise

LKW:pgl

cc: George C. Jepsen [attorney.general@ct.gov](mailto:attorney.general@ct.gov)  
Shane Mallory [Shane.mallory@ct.gov](mailto:Shane.mallory@ct.gov)  
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